

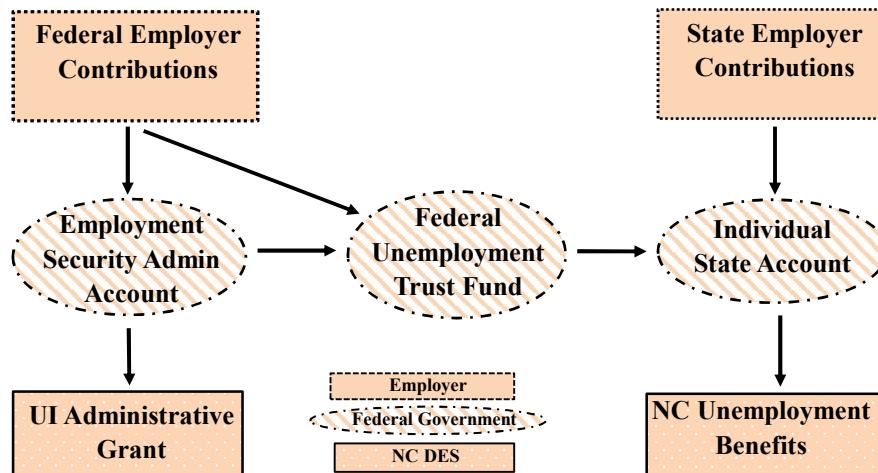
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A Staff Agency of the North Carolina General Assembly

Unemployment Insurance during COVID-19

January 26, 2021

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Federal-State Partnership



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State Unemployment Insurance

- **Benefit eligibility**
 - Covered employment
 - Sufficient work history/earnings
 - Reasons for unemployment
 - Willing/able to work
- **Weekly Benefit Amount**
 - Based on wage history, \$350/week max
- **Weekly certification**
- **Appeals process**

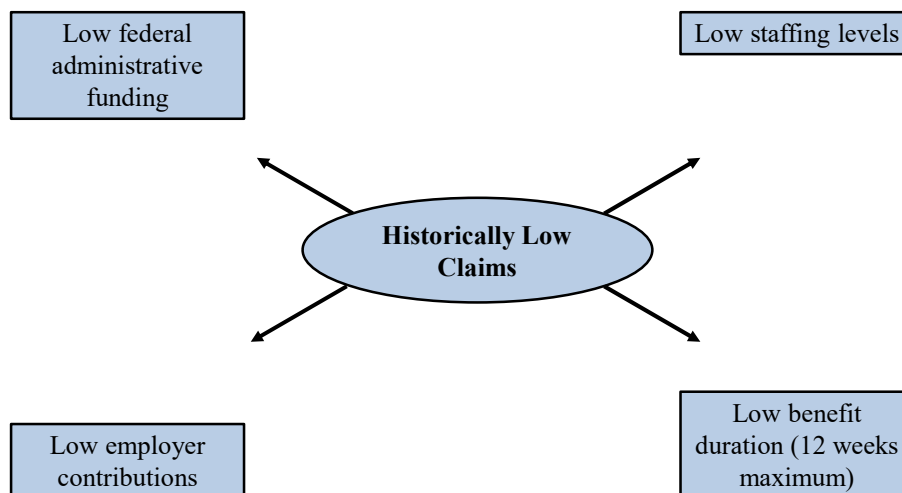
Funding source: **State UI Trust Fund**

Funds distributed*: **\$1.82 billion**

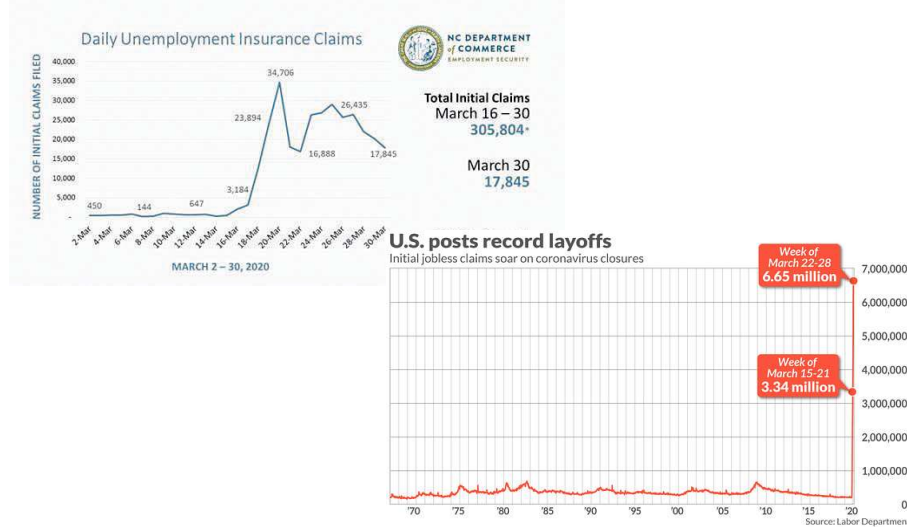
Dates: **Always active**

**As of January 22, 2021, per DES daily report*

Historically Low Claims



Historically High Claims



NCGA policy changes: S.L. 2020-3

Policy	Prior Requirement	S.L. 2020-3 Change*
Waiting Week	Claimants wait one week prior to benefit eligibility	Waived waiting week
Able and Available to work	Claimant must be physically able/available	Benefits allowed if COVID-19 prevents work
Actively seeking work	Claimants must complete 3 job contacts per week	Waived
Charging of Benefits	Benefits paid are charged against employers' accounts	Allowed non-charging of benefits for COVID-related claims
Attached Claims	Employers cannot file on behalf of employee (limited exceptions)	Allowed attached claims for COVID-related claims

*Note: S.L. 2020-3 provisions expired December 31, 2020

Extended Benefits

- Extended Benefits (EB) automatically trigger "on" during periods of high unemployment
- Statutory triggers for EB are based on 3-month average unemployment rates
- The current duration is 8 weeks
- Federal government and states split EB cost 50/50
- EB provides additional weeks of benefits after claimants exhaust regular State benefits
- Weekly benefit based on State UI benefit calculation



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CARES Act programs

▪ Federal Pandemic Unemployment Compensation

- Additional \$600/week
- Available to all claimants receiving benefits

Funding source: **Federal**

Funds distributed*: **\$5.03 billion**

Dates: **Apr-Jul 2020; Jan-Mar 2021**

▪ Pandemic Emergency Unemployment Compensation

- Additional 13 weeks of benefits
- Claimants exhausting State UI benefits

Funding source: **Federal**

Funds distributed*: **\$761 million**

Dates: **Apr 2020-Apr 2021**

▪ Pandemic Unemployment Assistance

- Benefits for claimants not typically covered

**As of January 22, 2021, per DES daily report*



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Pandemic Unemployment Assistance

- Unemployed due to COVID-19

- Non-covered employment

- Self-employed
- Independent contractors
- Gig workers

- Covered employment

- Insufficient work history
- Insufficient wages
- Exhausted State UI (and PEUC/EB) Benefits

Funding source: **Federal**

Funds distributed*: **\$853 million**

Dates: **Apr 2020-Apr 2021**

**As of January 22, 2021, per DES daily report*

- Implementation

- New pool of claimants
- Wage verification
- Changing federal guidance



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Extended Benefits

- Eligibility

- Exhausted regular State UI (and PEUC)

- Additional Weeks

- Initially provided 9.6 weeks (13-week average unemployment rate exceeded 8%)
- Reduced to 6 weeks (half of regular UI duration) in October based on lower unemployment rate
- Automatically increased to 8 weeks in January
- Federal government currently covers 100% of EB costs (typically 50%)

Funding source: **Federal[^]**

Funds distributed*: **\$216 million**

Dates: **May 2020-trigger off**

[^]Currently 100% federal, typically 50-50 federal-state cost share

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Lost Wages Assistance

- Authorized by federal Executive Order
- Funded by FEMA
- Additional \$300/week
- Claimants receiving benefits of at least \$100/week
- State match requirement

Funding source: **Federal (FEMA)**

Funds distributed: **\$592 million**

Dates: **Aug-Sept 2020**



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Increased Benefit Amount

- S.L. 2020-97
- Increased weekly benefit amount by \$50 for State UI claimants
- Funded by Coronavirus Relief Fund transfer to UI Trust Fund
- USDOL guidance allowed IBA for claimants under federal programs
- Expired December 26, 2020

Funding source: **CRF/Federal**

Funds distributed: **\$137 million**

Dates: **Sept-Dec 2020**



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Continued Assistance Act

- Extended PEUC and PUA through March 14, 2021
 - Phaseout period through April 11, 2021
- Reinstated FPUC through March 14, 2021
 - Additional \$300 weekly for claimants receiving benefits
- Established new Mixed Earner Unemployment Compensation
- Changes to income and identity verification



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Mixed Earner Unemployment Compensation

- Individuals eligible for State UI benefits AND earned at least \$5,000 in self-employment income in the previous year
- Additional \$100/week for claimants receiving benefits
- Will also receive \$300/week FPUC
- PUA claimants are NOT eligible
- Expires March 14, 2021

Funding source:	Federal
Funds distributed*:	\$0
Dates:	Jan-Mar 2021

**As of January 22, 2021, per DES daily report*



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Unemployment Insurance Programs During COVID-19

